



**The Regular Meeting of the
Brian Head Town Council**

**Town Hall Council Chambers
56 N. Hwy 143, Brian Head, UT 84719**

TUESDAY, JANUARY 11, 2011 @ 1:00

AGENDA

1:00 PM

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE

C. DISCLOSURES

D. APPROVAL OF THE MINUTES:

1. November 23, 2010 Town Council Meeting
2. December 15, 2010 Town Council Meeting

E. PUBLIC INPUT/ REPORTS (Limited to three (3) minutes) Non-Agenda Items

F. AGENDA TOPICS:

1. **2009-2010 ANNUAL TOWN AUDIT PRESENTATION.** Wayne Everett, Town Auditor, The Town Auditor will present the 2009-2010 annual audit of the town's finances.
2. **PLANNING COMMISSION MEMBER APPOINTMENT,** Bryce Haderlie, Town Manager. The Council will give their advice and consent on the Town Manager's recommendation for a Planning Commission member to be appointed for a term of five years.
3. **BEARFLAT WELL SPECIFICATION REQUEST.** Chet Hovey, Town Engineer – The Council will give direction on specifications for the Bearflat well.
4. **AUTHORIZATION OF FUNDS FOR DELINQUENT PROPERTY TAXES ON TOWN OWNED PROPERTIES LOCATED IN THE STEAM ENGINE MEADOWS SUBDIVISION.** - Cecilia Johnson, Town Treasurer. The Council will hold discussion on the property tax status of the eight newly acquired lots in the Steam Engine Meadows Subdivision.
5. **PROPOSED RESOLUTION AMENDING THE BRIAN HEAD CAFETERIA PLAN FROM NATIONAL BENEFIT SERVICES.** Cecilia Johnson, Town Treasurer. The Council will consider a proposed resolution amending the town's cafeteria plan for the Brian Head town employees.

G. CLOSED SESSION OF THE TOWN COUNCIL. A Strategy Session of the Town Council to discuss Pending or Imminent Litigation

H. ADJOURNMENT

Dated the 7th Day of January, 2011

Available to Board Members as per Resolution No. 347 authorizes public bodies, including the Town, to establish written procedures governing the calling and holding of electronic meetings at which one or more members of the Council may participate by means of a telephonic or telecommunications conference. In compliance with the Americans with Disabilities Act, persons needing auxiliary communications aids and services for this meeting should call Brian Head Town Hall @ (435) 677-2029 at least three days in advance of the meeting.

CERTIFICATE OF POSTING

I hereby certify that I have posted copies of this agenda in three public and conspicuous places within the Town Limits of Brian Head; to wit, Town Hall, Post Office and The Mall on this 7th day of January 2011 and have posted such copy on the Utah Meeting Notice Website and have caused a copy of this notice to be delivered to the Daily Spectrum, a newspaper of general circulation.

Nancy Leigh, Town Clerk

**The Regular Meeting of the
Brian Head Town Council
Town Hall Council Chambers
56 N. Hwy 143, Brian Head, UT 84719
TUESDAY, JANUARY 11, 2011 @ 1:00**

Roll Call.**Members Present:** H.C. Deutschlander, Stewart Fausett, Hans Schwob, Jim Ortler, Linda Ames.**Staff Present:** Bryce Haderlie, Nancy Leigh, Gary Bulloch, Tom Stratton, Chet Hovey (Town Engineer), Wendy Dowland, Cecilia Johnson.**A. CALL TO ORDER**

Mayor Deutschlander called the regular meeting of the Brian Head Town Council to order at 1:00 p.m.

B. PLEDGE OF ALLEGIANCE

The Mayor led the Council and others in the Pledge of Allegiance.

C. DISCLOSURES

There were no conflicts of interest with today's agenda items. Mayor Deutschlander stated that the disclosure statements are on file at the Recorder's office and are available for public inspection during normal business hours.

D. APPROVAL OF THE MINUTES:**1. November 23, 2010 Town Council Meeting****Motion:** Council Member Ortler moved to approve the November 23, 2010 Town Council minutes. Council Member Schwob seconded the motion.**Action:** **Motion carried 4-0-1 (summary: Yes = 4, No = 0, Abstain = 1 Vote: Yes:** Mayor Deutschlander, Council Member Fausett, Council Member Schwob, Council Member Ortler. **Abstain:** Council Member Ames).**2. December 15, 2010 Town Council Meeting****Motion:** Council Member Ortler moved to approve the December 15, 2010 Town Council minutes. Council Member Ames seconded the motion.**Action:** **Motion carried 4-0-1 (summary: Yes = 4, No = 0, Abstain = 1 Vote: Yes:** Mayor Deutschlander, Council Member Fausett, Council Member Ames, Council Member Ortler. **Abstain:** Council Member Schwob).**E. PUBLIC INPUT/ REPORTS (Limited to three (3) minutes) Non-Agenda Items****Nancy Leigh, Town Clerk,** updated the Council on business licensing and distributed a report of the businesses in Brian Head (see attached). Nancy reported the 17 out of the 18 businesses facing non-compliance issues have been resolved. Nancy is working with the Town Attorney on one business that has failed to comply with licensing requirements.**Mayor Deutschlander**

1. Local Officials Day at the Legislature presented by the Utah League of Cities and Town is scheduled for January 26, 2011 in Salt Lake City. Council Members who are interested in attending please contact Nancy Leigh for registration and additional information.
2. Senator Stowell, who currently sits on the Board for Natural Resources, will be addressing upcoming water issues at the Senate level. In addition, Senator Stowell is continuing to work on Brian Head's enhanced Service fee being identified as a tax.

Council Member Ames

Approved January 25, 2011

1. Thanked the Public Works crew for their hard work in providing excellent snow removal services the past several winter storms. Council Member Ames stated that she has received several positive comments from the public on the snow removal services.
2. Thanked Nancy Leigh, Town Clerk, for the update to the Council on the progress of the Business Licensing and for her efforts in bringing businesses into compliance.
3. Thanked Tom Stratton, Public Works Director, for shutting her door that was open.

Bryce Haderlie, Town Manager

1. The Town has been notified that some of the dormant condominium projects will be starting construction again. Over the next several weeks, the owners will be meeting with the town on proceeding with their projects.
2. Thanked Council Member Ortler for his suggestion in contacting Jason Gurr, Gurr Computers, for a proposal of providing wireless internet throughout the town. Staff has contacted Gurr Computers and requested a proposal for wireless internet services throughout town and will present it at the annual budget retreat.
3. An article in the Spectrum newspaper reported on the redevelopment of Cedar City's downtown area and how the public perceives it along with issues the community is struggling with, such as the lack of amenities and signage. Bryce reported that Brian Head is also facing the same struggles with the lack of amenities and signage. The Planning Commission will be reviewing the Land Management Code (LMC) along with the sign ordinance.

Gary Bulloch, Public Safety Director

1. Distributed the department's update to the Council (see attached).
2. Mayor Deutschlander inquired if Brian Head conducts training for its officers on vehicle safety, since there have been 21 highway patrol officers that have been struck by other vehicles in the state of Utah. Gary responded that the officers are veteran officers and are constantly aware of their surroundings. The department has ordered reflective vests and the officers are required to wear them when directing traffic.
3. Council Member Ames requested the department submit a report to the Council in which the report should show a summary of what the department is responding to. Council Member Ames suggested the report be a simplified report which shows some of the following: 1. Number of calls received. 2. Time of occurrences. 3. The time of year in which the department receive the majority of calls, along with any other useful information.

Tom Stratton, Public Works Director

1. Distributed the department's council update (see attached).
2. The snowmobile poker run is scheduled for March 5, 2011. Posters have been distributed around Southern Utah and they expect a good turnout for the event.
3. The final draft of the Transportation Study has been completed (see attached). The study was a cooperative effort of Brian Head, Parowan, Cedar City and Utah Department of Transportation (UDOT). The study will be presented at the next Iron County Coordinating Council meeting for action. The study has identified that ridership numbers are sufficient to make the CAT system feasible. Mayor Deutschlander suggested that the study be sent to the County Commissioners for their input and information also.
4. Council Member Ortler commented he has had a discussion with Tom Stratton, Public Works Director, regarding the excess snow that independent contractors are bringing to Village Way and the town is then blowing the excess snow into the meadows. Tom responded this is a deep snow year and all snow removal companies are facing a snow storage issues. The town is working with contractors in moving the snow into the meadow areas to be used for the snowmobile trail and ramps. The contractors have agreed to pay the town the \$141.00 per hour for the snow blower as per the Consolidated Fee Schedule.

Melody Averett and Rhonda Miler , M& R Gallery of Photography, thanked the Council for allowing them to take their pictures prior to today's meeting. Ms. Averett reported that they are interested in pursuing a photography business in Brian Head due to the scenic nature of the area. They have met with the Haderlie and Hartlmaier families and provided family portraits for each family. Ms. Averett offered complementary sitting fees for all Brian Head residents.

Angie Haderlie, Chamber of Commerce

1. Distributed the Chamber's quarterly update to the Council (see attached).
2. Planned events for this winter season include: Snowmobile Poker Run on March 5, 2011; St. Patrick's snowshoe race on March 19, 2011, this event will have an obstacle course on snowshoes and the Chamber of Commerce bonfire on January 15, 2011 at the fire station.
3. Reported that M&R Gallery of Photography are new Chamber members and welcomed them to Brian Head..

F. AGENDA TOPICS:

1. 2009-2010 ANNUAL TOWN AUDIT PRESENTATION. The 2009-2010 annual audit of the town's finances.

Wayne Everett, Town Auditor, presented the 2009-2010 Town Audit ending June 30, 2010 (see attached). Mr. Everett gave a brief explanation of what the auditors responsibilities are in the town's audit. Mr. Everett reported that Pelorus Accounting System closes the books and presents the information to the auditors at the end of the fiscal year, and then the Auditors will conduct the audit and present recommendations to the town staff and Pelorus to determine if any adjustments need to be made.

The Council held discussion on the following items:

1. In the auditor's opinion, the financial statements are fairly stated.
2. Due to the town receiving federal funds (USDA), a single audit is required. The funds were spent in accordance to USDA requirements. The town will receive a single audit on the USDA funds annually as long as the town receives these federal funds.
3. Staff has worked to keep expenditures within the budget. One issue which arose was a debt payment due July 1, 2010 and the check was drafted out of the checking account on June 30, 2010. This was explained in the footnote of the audit and Mr. Everett believes this is an adequate explanation to the State Auditor.
4. Due to the time factor in which a USDA invoice is processed and approved for payment, there was an issue in which an invoice dated for 2010 was processed in the 2011 year and staff was unable to apply it to the 2010 year since the budget was closed out. An adjustment to that invoice showing the correct budget year has been made.
5. All items of concern noted on previous year audits have been addressed and resolved by staff.
6. The Special Service District and Municipal Building Authority budgets are identified as a department within the town's budget since the funds identified are for payment of debt only.
7. Pelorus Accounting prepares the Management Discussion & Analysis (MD&A) and the town is responsible for it. The town should be reviewing the report to ensure an understanding prior to it being submitted to the State Auditor.

The Council thanked Mr. Everett for his audit presentation to the town.

2. PLANNING COMMISSION MEMBER APPOINTMENT, Appoint Mac Hatch as a Planning Commission Member for a term of five years.

Bryce Haderlie, Town Manager, explained the Planning Commission member terms are set in a yearly rotation in which one member's term expires annually. Mac Hatch's seat expired on December 31, 2010 since he was appointed to fill the vacancy from Peg Simons. Bryce reported that he has spoken with Mac Hatch regarding a five year term as a Planning Commission member and he has indicated his desire to remain on the Planning Commission. Staff has advertised for the set and requested letters of interest. As of the current date, staff has not received any other letters of interest for the seat.

Bryce recommended the Council give their advice and consent for appointment of Mac Hatch as a Planning Commission member for a term of five years.

Motion: Council Member Ortler moved to appoint Mac Hatch as a Brian Head Planning Commission Member for a term of five years. Council Member Fausett seconded the motion.

Action: **Motion carried 5-0-0 (summary: Yes = 5 Vote: Yes:** Mayor Deutschlander, Council Member Fausett, Council Member Schwob, Council Member Ortler, Council Member Ames).

3. BEARFLAT WELL SPECIFICATION REQUEST. Council direction on the specifications for the proposed Bearflat Well (USDA project)

Chet Hovey, Town Engineer, explained the Bearflat Well project is an USDA approved project and will be located in the town meadow adjacent to Village Way. Chet requested Council's input and approval installing a larger size well casing of 16" instead of the original 12" casing identified for the project. Chet explained he received a report from Peter Rogers, AE Engineering, on proposed locations for the well (see attached). In the report it identified the meadow as a prime location for the well as long as the well is drilled through the fault line to reach the aquifer, which is deeper than originally proposed. This change has dictated the need to go to a larger well casing in order for the well

Approved January 25, 2011

to go to a deeper depth in reaching the aquifer beyond the fault line. The cost for the larger well is double the estimated cost originally proposed to USDA for the well project, but the town has come under budget on two previous projects; the Mammoth Water tank was approximately \$700,000 under budget and the land acquisition project was under budget by \$125,000.00. Both of these could be rolled into the well project. There is also a contingency of approximately \$150,000.00 for the well project.

The Council held discussion on the following:

1. Grimshaw Drilling submitted a high cost estimate for the proposed well. The original estimate submitted to USDA for the well project was identical to the Town Hall well costs.
2. The tentative designs for the pump station are within the budgeted amount, but until the bids are received, it is an unknown cost factor.
3. There is the potential that the town would need to drill another well if the Council chooses to remain with the 12" casing instead of the proposed 16" casing.
4. The town currently has adequate water storage and water rights, but there is a need to get the water out of the ground and to the storage sites.
5. The larger casing is an 86% increase in costs, but with the larger casing, the town is able to produce the volume of water necessary for future growth and would also eliminate sanding problems. The projected future growth rate for Brian Head is 2.4% annually and is based off historical growth rates over a ten year period.
6. Discussion on the importance of prequalification of the contractors is based on the fact the engineers and town would rely heavily on their experience and recommendations on this project.
7. The Town is required to take the lowest bid as per USDA requirements.
8. Would the existing town hall well become inoperable if the town chose to go with the larger well for the Bearflat Well? Chet reported that it is unknown until they start pumping water.
9. The Town Hall well has limitations that apply to the Parowan Irrigation Company lease agreement with Brian Head. Chet explained the State Engineer will make that determination if there would be limitations on the Bearflat well.
10. The estimated cost for the access road to the pump house is \$10,000.00 Chet explained that the town can pull any part of the project out if they choose to build the road themselves and the cost of the construction of the road to go to the town.
11. Whether it would be beneficial to the town to bid out the two different specifications at the same time. A bid for the original estimate identifying the 12" casing and a separate bid for the 16" casing. Chet reported that if the town considers this option, then there should be a requirement that contractors be required to bid on both sizes, since it would be in the town's best interest to have a contractor that is familiar with drilling wells for municipalities.
12. Discussion on whether the town should obtain a second opinion on the geology report to determine if the target flows would differ.

Motion: Council Member Ames moved to grant consent to staff to proceed with the planning design of the Bearflat well and to bid out two options for the well casing; a request for bid for a 12" casing and a separate request for bid for a 16" casing. The bidder must bid on both projects and that the depth for the 12" casing go with a target flow of 460 gallons per minute. Council Member Schwob seconded the motion.

Action: Motion carried 4-1-0 (**summary:** Yes = 4, No = 1, Abstain = 0 **Vote: Yes:** Mayor Deutschlander, Council Member Fausett, Council Member Schwob, Council Member Ames. **No:** Council Member Ortler).

4. **AUTHORIZATION OF FUNDS FOR DELINQUENT PROPERTY TAXES ON TOWN OWNED PROPERTIES LOCATED IN THE STEAM ENGINE MEADOWS SUBDIVISION.** Delinquent property taxes due on the eight lots owned by the town.

Cecilia Johnson, Town Treasurer, reported the town held a trustee sale on November 30, 2010 at the Parowan Court House for the purpose of selling 15 lots in the Steam Engine Meadows Special Improvement District. Cecilia reported that seven (7) lots were sold to two individuals and the town acquired the remaining eight (8) lots.

Cecilia reported there are delinquent property taxes due on the eight lots and distributed a spreadsheet identifying the individual lots and the amounts owed (see attached). All eight properties currently owe for four years of property taxes and as of May 26, 2011, the properties will be sold in the County tax sale. Cecilia went on to report she has been working with the County Treasurer who has indicated that she will approach the County Commission on January 24,

Approved January 25, 2011

2011 to seek relief on some of the accumulated interest since the town has taken ownership on December 6, 2010. Cecilia requested the direction of Council on the outstanding property taxes

Motion: Council Member Ortler moved to approve the expenditure of funds for delinquent property taxes on the eight (8) Steam Engine Meadow lots owned by the town and that the taxes are to be paid prior to January 31, 2011. Council Member Ames seconded the motion.

Action: **Motion carried 5-0-0 (summary: Yes = 5 Vote: Yes: Mayor Deutschlander, Council Member Fausett, Council Member Schwob, Council Member Ortler, Council Member Ames).**

Motion: Council Member Ortler moved to amend his previous motion to read: to direct the staff to pay the delinquent property taxes on the eight (8) lots owned by the town in the Steam Engine Meadows subdivision and the expenditure of funds be identified from the General Fund and the taxes are to be paid prior to January 31, 2011. Council Member Ames seconded the motion.

Action: **Motion carried 5-0-0 (summary: Yes = 5 Vote: Yes: Mayor Deutschlander, Council Member Fausett, Council Member Schwob, Council Member Ortler, Council Member Ames).**

Bryce reported that the town has received an invoice from the Steam Engine Meadows Lot Owners Association (LOA) in the amount of \$800.00. The invoice is for Association dues on the eight lots for general maintenance of the subdivision.

5. PROPOSED RESOLUTION AMENDING THE BRIAN HEAD CAFETERIA PLAN FROM NATIONAL BENEFIT SERVICES. A resolution amending the town's cafeteria plan for the Brian Head town employees.

Cecilia Johnson, Town Treasurer, presented a proposed resolution amending the town's cafeteria plan (see attached). Cecilia explained that National Benefits Services is the cafeteria plan provider and is required to amend the cafeteria plan in order to be in compliance with state and federal laws. The amendment includes the addition of the following laws: 1. Michelle's law. 2. Mental Health Parity and Addiction Equity Act of 2008. 3. Genetic Information Nondiscrimination Act (GINA). 4. Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act (PPACA) of 2010.

Motion: Council Member Ortler moved to adopt Resolution No. 407, a resolution amending the National Benefit Services LLC cafeteria plan for the Brian Head Town employees for the year ending December 31, 2011. Council Member Fausett seconded the motion.

Action: **Motion carried 5-0-0, roll call vote (summary: Yes = 5 Vote: Yes: Mayor Deutschlander, Council Member Fausett, Council Member Schwob, Council Member Ortler, Council Member Ames).**

G. CLOSED SESSION OF THE TOWN COUNCIL. A Strategy Session of the Town Council to discuss Pending or Imminent Litigation

Motion: Council Member Ortler moved to enter closed session of the Town Council to discuss pending or imminent litigation. Council Member Ames seconded the motion.

Action: **Motion carried 5-0-0, roll call vote (summary: Yes = 5 Vote: Yes: Mayor Deutschlander, Council Member Fausett, Council Member Schwob, Council Member Ortler, Council Member Ames).**

The regular meeting of the Brian Head Town Council was recessed at 3:00 p.m.

Motion: Council Member Ortler moved to reconvene the regular meeting of the Town Council. Council Member Ames seconded the motion.

Action: **Motion carried 5-0-0, roll call vote (summary: Yes = 5 Vote: Yes: Mayor Deutschlander, Council Member Fausett, Council Member Schwob, Council Member Ortler, Council Member Ames).**

The regular meeting of the Brian Head Town Council was reconvened at 3:20 p.m.

H. ADJOURNMENT

Motion: Council Member Ortler moved to adjourn the regular meeting of the Town Council for January 11, 2011. Council Member Fausett seconded the motion.

Action: **Motion carried 5-0-0 (summary: Yes = 5 Vote: Yes: Mayor Deutschlander, Council Member Fausett, Council Member Schwob, Council Member Ortler, Council Member Ames).**

Approved January 25, 2011

The regular meeting of the Brian Head Town Council was adjourned t 3:21 p.m. for January 11, 2011.

January 25, 2011

Date Approved

Nancy Leigh, Town Clerk/Recorder